



EQVA secures landmark business combination with IMTAS, expanding into Northern Norway

EQVA ASA

Transaction announcement

February 17, 2025



eqva.no

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This Presentation contains certain estimated, pro forma financial information. The estimated, pro forma financial information included in this Presentation is based on estimates and several management assumptions to show how the acquisition of IMTAS Group could have affected the EQVA's 2024 revenue, EBITDA and EBITDA margin for the year ended 31 December 2024, as if the transaction had taken place on 1 January 2024. The estimated, pro forma financial information has been included in this Presentation for illustrative purposes only. Because of its nature, the estimated, pro forma financial information addresses a hypothetical situation and, therefore, does not represent the Company's actual revenue, EBITDA or EBITDA margin. It is not necessarily indicative of the revenue, EBITDA or EBITDA margin that would have occurred during the period presented nor is it necessarily indicative of future operating results. In addition, both EQVA and IMTAS Group figures for the financial year 2024 are preliminary, estimated financial figures. EQVA will release its Q4 financial statements on 27 February 2025. The estimated, pro forma financial information included herein has not been subject to any audit review. For the aforementioned reasons, investors should use caution and not place undue reliance on this unaudited, estimated, pro forma financial information.

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ABOUT EQVA

EQVA is a company group that specializes in acquiring and developing tier-1 companies that provide productive, safe, and sustainable service & solutions to leading industrial companies

We are dedicated to long-term ownership, focused on creating value through sustainable development, growth, and profitability. Our goal is to acquire companies that align with our business model. We are positioning ourselves as an attractive buyer not solely based on financial terms, but by offering a comprehensive "toolbox" of expertise, experience, and resources to drive value creation.

Through well established governance models, we help to develop and strengthen each portfolio company by driving strategy developments, operational improvements, financing, and transactions. We energize companies.



Full-service provider of technical solutions and services to major industries



A specialised small hydropower plant developer and operator



EQVA is expanding – Bringing our success from the South to the North



Landmark acquisition of IMTAS Group

EQVA has entered into an agreement to acquire IMTAS Group for an Enterprise Value of NOK 190 million, excluding leasing liabilities and a conditional earn-out of up to NOK 30 million.

This reflects an implied EV/EBITDA multiple of 4.8x, based on 2024 estimates.

Sellers will reinvest NOK 68.8 million at NOK 11.25 per share, with a lock-up period. 50% being released after 9 and 18 months, respectively.



Establishing a leading industrial services group

The acquisition of IMTAS expands the Group's geographical reach, diversify customer and revenue streams, and strengthen the overall service offering.

IMTAS has a long track record of revenue and EBITDA-growth.

IMTAS has never lost a frame agreement, and benefits from its loyal customer base, including Elkem, Rana Gruber and MOWI.



Combined group with highly attractive profile

Based on estimated 2024 figures, the acquisition is expected to contribute approximately NOK 376 million in revenues and NOK 39 million in EBITDA.

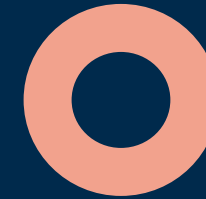
This brings the total pro forma revenue and EBITDA for the new combined EQVA Group in 2024 to NOK 1,576 million and NOK 120 million, respectively.



Accretive acquisition terms

The acquisition of IMTAS is expected to be accretive for our shareholders, with both short- and long-term growth potential.

Identified synergies going forward with the potential to make the acquisition more accretive after the combination.



New financial agreement in place

The acquisition of IMTAS will be financed through a new term loan from Nordea Bank, reinvestment from the sellers, and a seller's credit.

The new bank facility with Nordea will also refinance most of EQVA's existing interest-bearing debt and expand the overdraft facility, offering more favourable interest rates for EQVA.

IMTAS Group at a glance

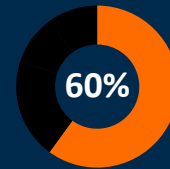
- IMTAS is a complete supplier in the areas of engineering, fabrication, installation and maintenance
- Founded in 2006. H.Q. in Mo i Rana, Norway
- 200+ employees
- CEO and co-founder: Johannes Sandhei
- Key customer segments are process industry, constructions, renewable energy and aquaculture
- Strong presence within its services in Northern Norway
- Strong financial track record over the last 10 years – with a CAGR on revenues of 19% from 2015 to 2024



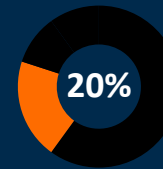
IMTAS Group has a long track record of profitable growth within a diversified set of segments



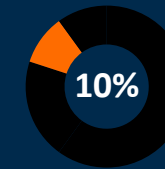
PROCESS INDUSTRY



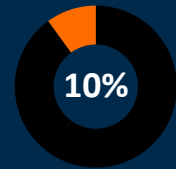
CONSTRUCTION



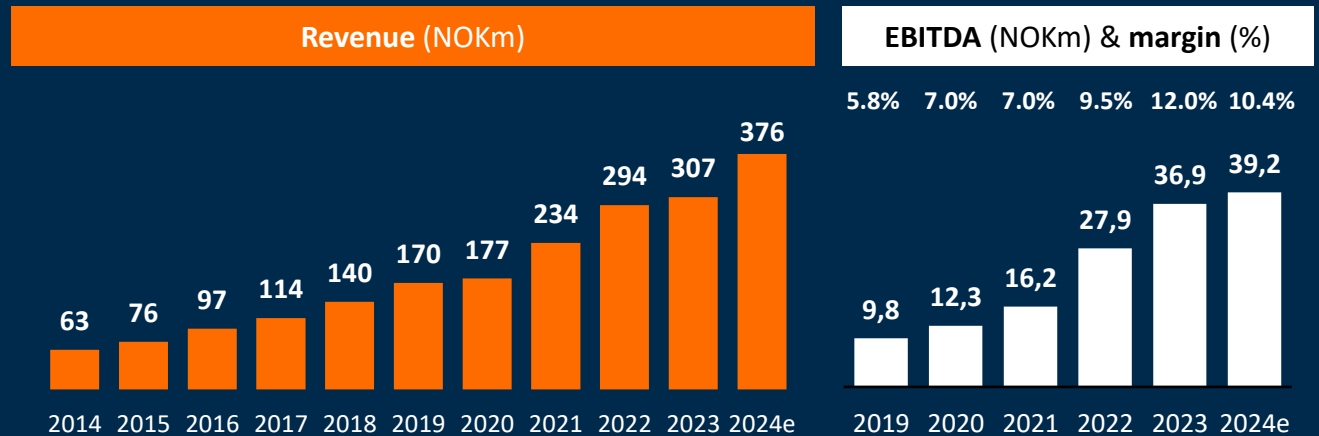
RENEWABLE ENERGY



ACQUACULTURE



Historical financial performance



IMTAS Group is known for its high-quality services and its solid customer base in the North of Norway



The combined group will offer a highly attractive profile for industrial customers

EQVA Industrial Solutions



40+ long-term frame agreements

IMTAS Group



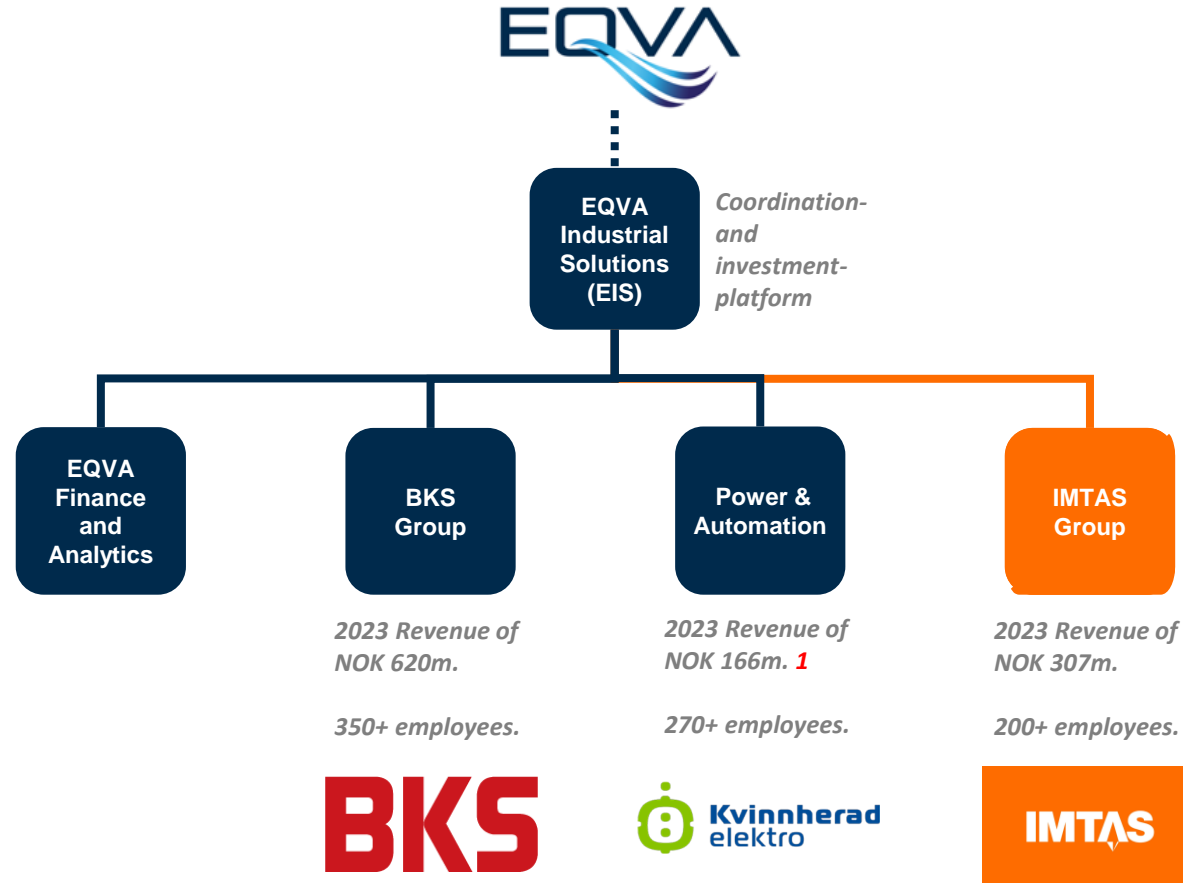
18+ long-term frame agreements

Expanding the geographic markets in Norway





Establishing an even stronger multidisciplinary industrial service group



Note 1) Kvinnherad Elektro Group did not consolidate on this level in 2023, and figures are consequently pro forma consolidated.
Source: Financial Statements

EQVA and IMTAS join forces to strengthen position as a provider of industrial services



Strengthened supplier position

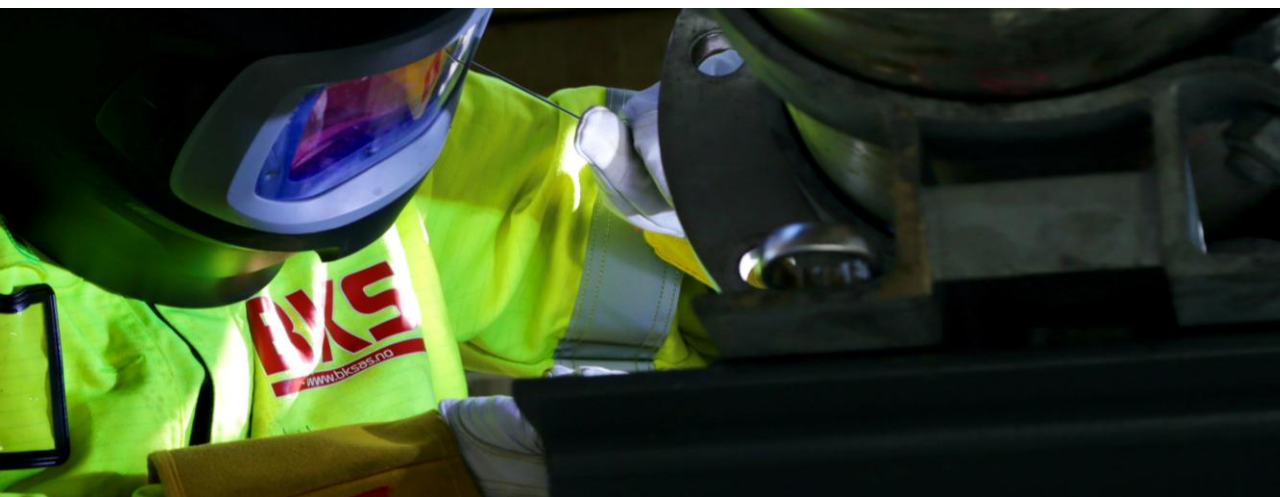
The business combination is of high strategic value and will strengthen our position as a prominent and fully integrated system supplier within the piping, mechanical and power and automation disciplines.

Attractive for industrial customers

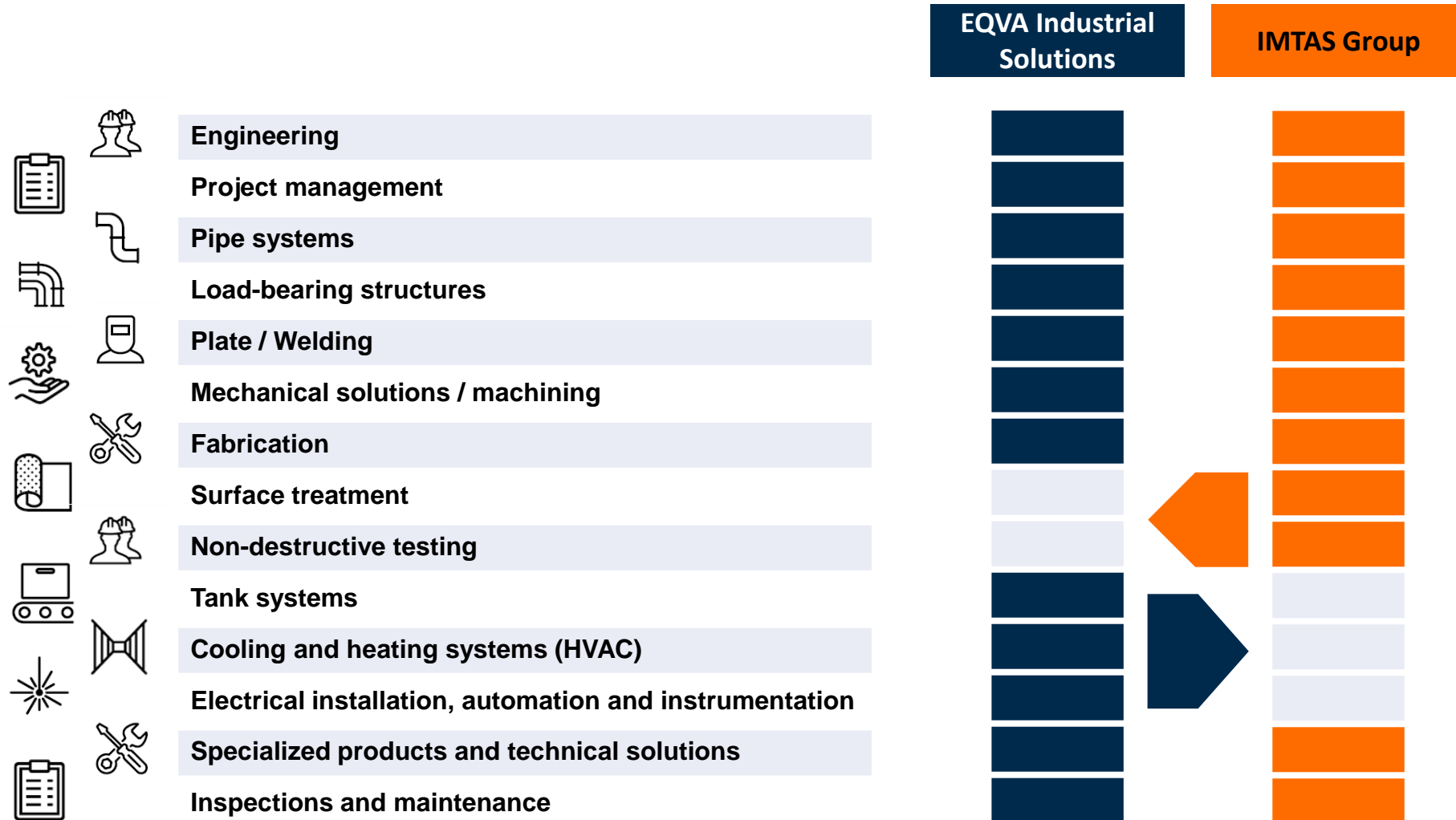
After the merger, EQVA Industrial Solutions, an industrial group owned by EQVA, will be the sole owner of the BKS Group, IMTAS Group and Kvinnherad Elektro Group. The combined group will offer a highly attractive profile for industrial customers.

Complementary services and markets

BKS and IMTAS have a complementary service portfolio, however in different geographical markets. The merger expands the combined geographical area of operations to all-over Norway, diversifies customers and revenue streams, and strengthens our overall service offering.



A complementary service portfolio





Driving profitable growth through strategic expansion

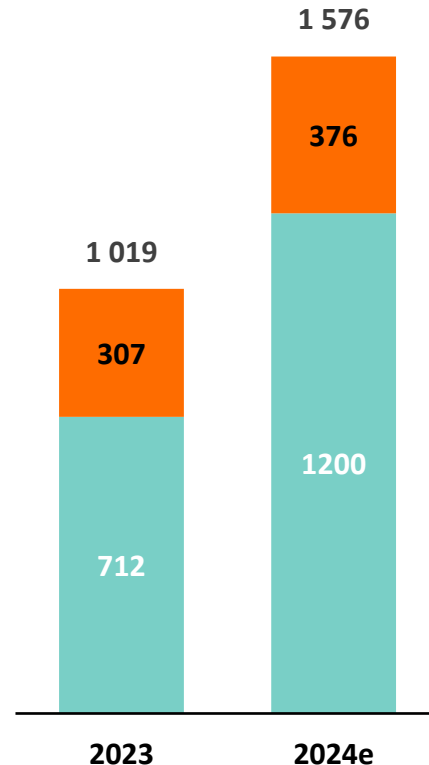
Comments

With this acquisition, EQVA takes a significant step forward, delivering substantial increases in both revenue and EBITDA.

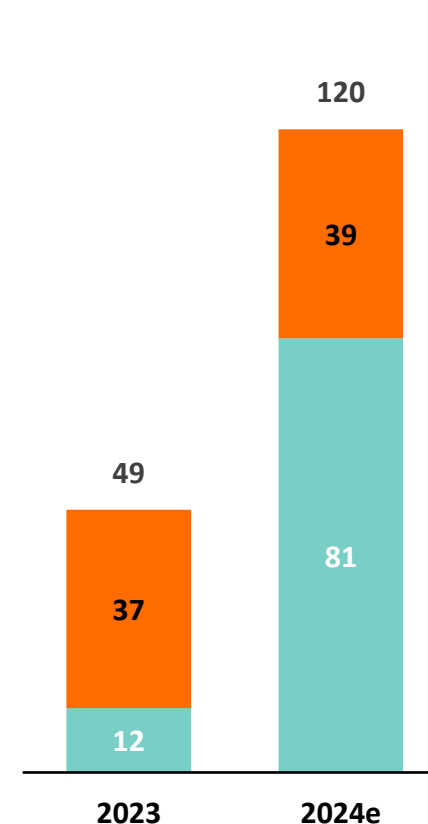
IMTAS has consistently achieved EBITDA-margins exceeding 10% over the past two years, expected to be an immediate value accretive addition to the EQVA Group.

Beyond financial gains, this acquisition strengthens EQVA's market position through geographic expansion and a broader, more diversified customer base. These factors contribute to a more resilient and predictable revenue stream, ensuring steady and sustainable growth in the years ahead.

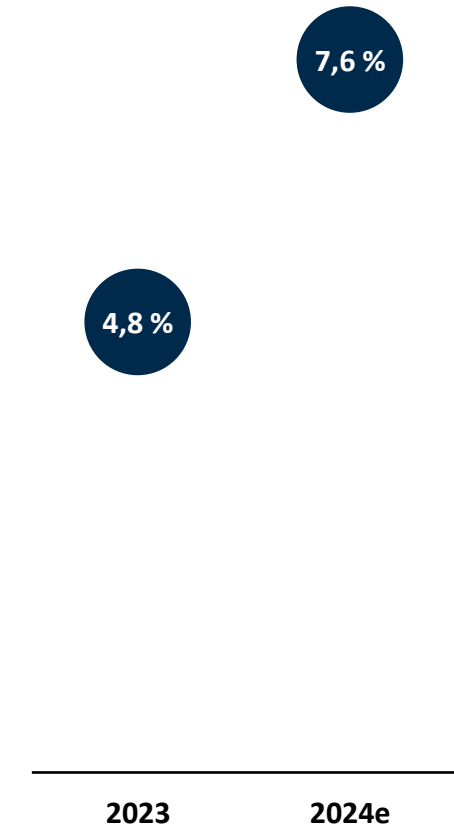
Pro forma Revenue (NOKm)



Pro forma EBITDA (NOKm)



Pro forma EBITDA-margin (%)



Note 1) EQVA figures are the lower end of the pro forma estimate range for the full year 2024, including Kvinnherad Group for the full year.

Breakdown of the Transaction Value

Comments ¹

The agreed Enterprise Value of IMTAS Group, including leasing liabilities, is NOK 215 million on a 100% basis. EV is NOK 190 million, excluding leasing liabilities (NOK 25 million) and an earn-out of up to NOK 30 million.

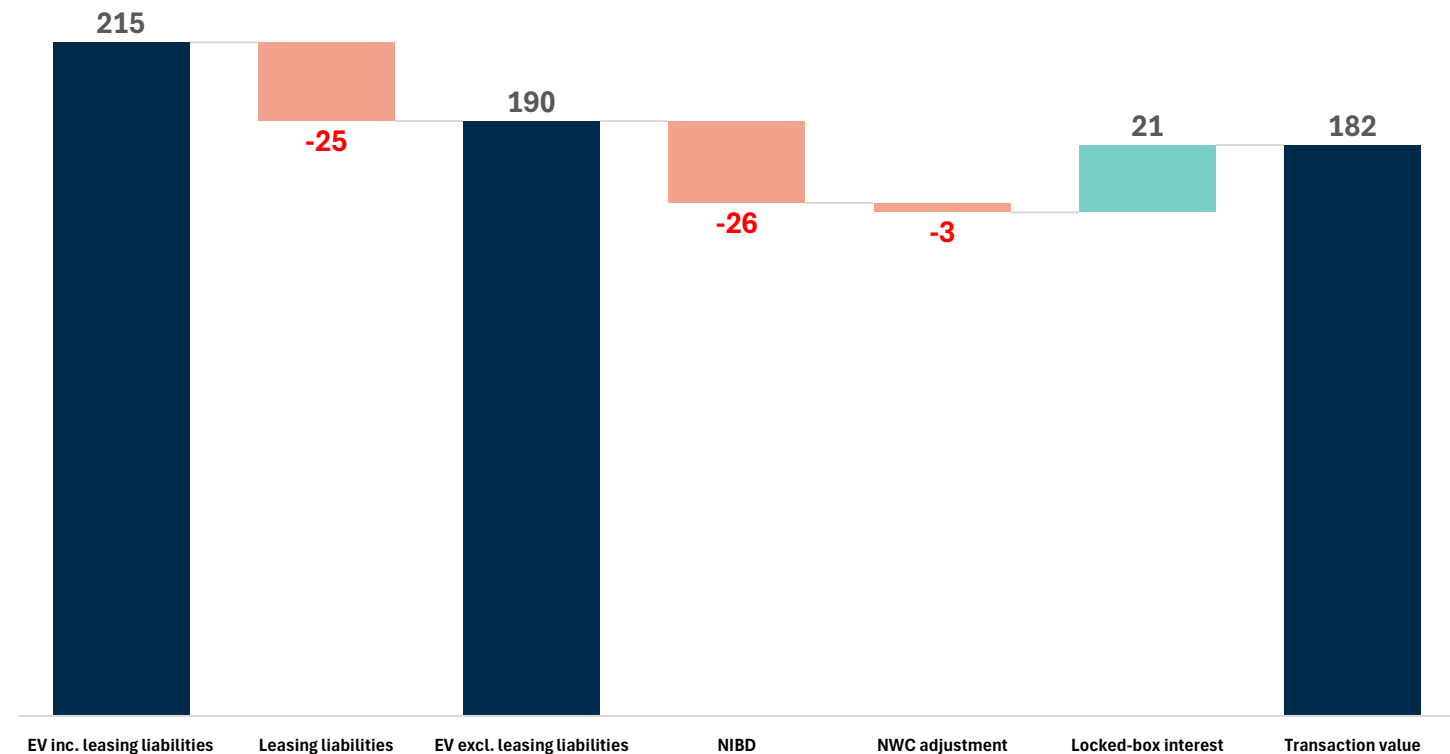
Net interest-bearing debt (NIBD) of NOK 26 million (excluding leasing), where part relating to external interest-bearing debt is to be refinanced through new bank facility on closing.

Net working capital (NWC) in large degree in line with expected normalized levels, resulting in a small adjustment of NOK (3) million.

For NWC created by the company between the locked-box date (31.12.2023) and the transaction date, an interest of (estimated) NOK 21 million is part of the consideration to the sellers.

In total, the Transaction Value to be settled by EQVA amounts to NOK 182 million, plus the conditional earn-out of up to NOK 30 million.

Enterprise Value to Transaction Value bridge (NOKm) ¹



Note 1) Based on locked-box date as of 31.12.2023
Source: Company information

Sources and Uses



Comments

Partial cash settlement to sellers

Approx. NOK 52 million of the consideration plus 50% of the IMTAS Group's net profit after tax for 2024 (estimated at NOK 21 million, at 100%) will be settled in cash. A total of estimated NOK 63 million.

Approx. NOK 40 million of the consideration plus 50% of the IMTAS Group's net profit after tax for 2024 will be settled by the issuance of a Seller's Credit. A total of estimated NOK 51 million. The Seller's Credit consideration will have a 12-month duration, with an interest of 8% p.a.

Consideration shares

As part of the transaction, NOK 68.8 million in consideration shares will be issued to the sellers of IMTAS Group at a subscription price of NOK 11.2544 per share.

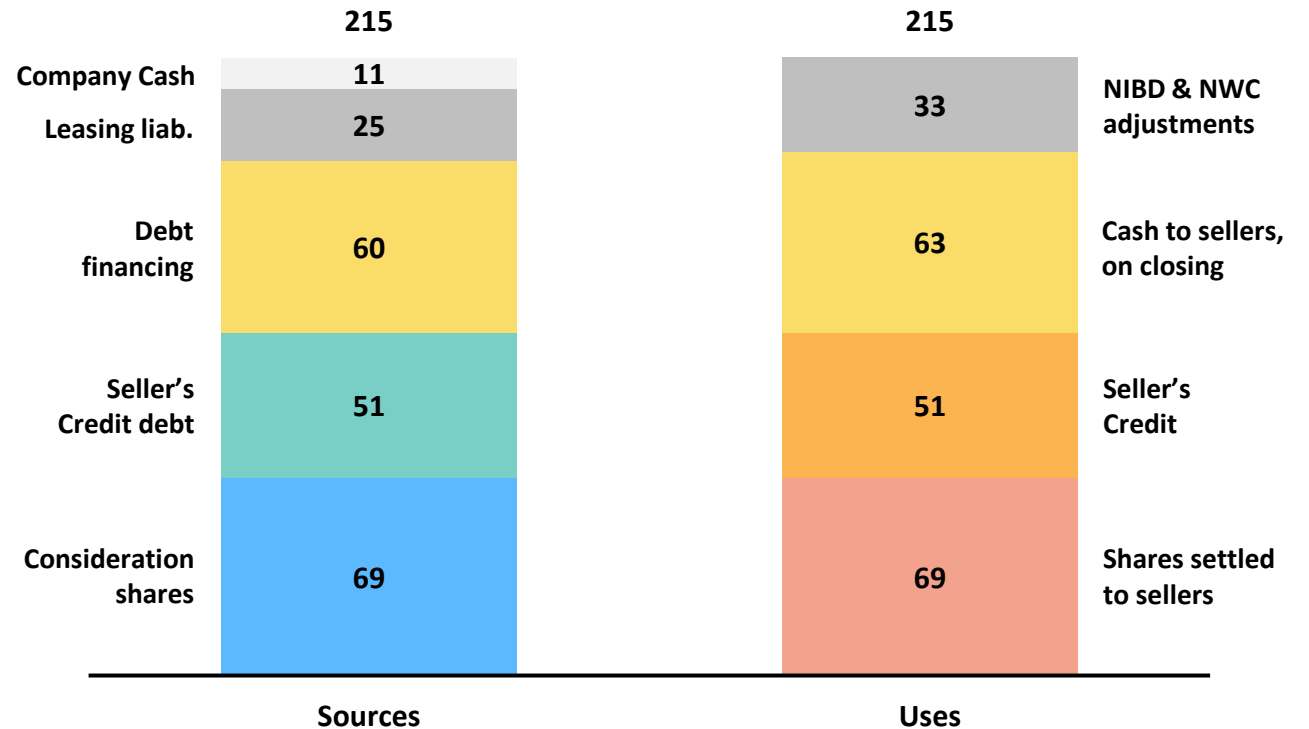
Net working capital (NWC) and debt refinancing

Part of the debt financing will be used for a refinancing of IMTAS Group's long-term debt, and for ensuring a solid net working capital balance in the Group.

Debt refinancing

EQVA has secured a committed offer from Nordea, combining acquisition and refinancing, totaling NOK 200 million. Additionally, the agreement will expand EQVA's existing overdraft facility to NOK 70 million. This long-term loan, with a maturity of five years, features more favorable interest rates for EQVA. EQVA estimates an opening leverage ratio of less than 2.5 after closing of the acquisition.

Sources and uses (on Enterprise Value) (NOKm)



SUMMARY

Summary



EQVA is expanding with its largest acquisition to date – Bringing our success in the South to the North of Norway



The acquisition of IMTAS provides both geographical expansion and revenue diversification for EQVA



Expected accretive 2024e EV/EBITDA multiple of 4.8x (excluding leasing liabilities)



Adding approx. NOK 39 million in pro-forma EBITDA (2024e), with additional synergy potential and positive organic impacts



This acquisition uniquely positions EQVA for further expansion in the industrial services industry in Norway and the Nordics



EQVA



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